

SERIAL 05162 SS PATHLORE LMS LICENSES - MAINTENANCE & SUPPORT

DATE OF LAST REVISION: September 15, 2005 CONTRACT END DATE: June 30, 2008

**CONTRACT PERIOD BEGINNING SEPTEMBER 15, 2005
ENDING JUNE 30, 2008**

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **PATHLORE LMS LICENSES - MAINTENANCE
& SUPPORT**

Attached to this letter is a listing of vendors available to Maricopa County Agencies utilizing the Human Resources **C-31-06-001-1-00**. The using agency and other interested parties may access and electronic version of this contract from the Materials Management Web site at:
http://www.maricopa.gov/materials/Awarded_Contracts/search.asp.

Please note: Price Agreement Purchase Orders (PG documents) may be generated using the information from this list. Use Commodity Code(s) C703512/B0700174.

All purchases of product(s) listed on the attached pages of this letter are to be obtained from the listed contractor(s).

Copy to: Clerk of the Board
Scott Mara, Human Resources

Corporate Headquarters ■ 7965 North High Street ■ Suite 300 ■ Columbus, OH 43235-4631 ■ Telephone 614-781-0036 ■ Fax 614-781-7200

Customer Name: Maricopa County, Arizona Customer PO# _____
 Customer Address: 301 West Jefferson, Phoenix, AZ, 85003 Tax Exempt # (attach certificate): _____
 Master License Agreement #: 090005 Customer # P100137
 Installation/Service Site Address (required): 301 West Jefferson, Phoenix, AZ, 85003

CONTACT INFORMATION:	NAME:	PHONE:	FAX:	EMAIL:
LMS Administrator (required)	Barbara White	602-506-5203	602-506-5295	-
Address (required):	301 West Jefferson, Phoenix, AZ, 85003			
Invoice Contact (required):	Barbara White	602-506-5203	602-506-5295	-
Address (required):	301 West Jefferson, Phoenix, AZ, 85003			
Shipping Contact (required):	Barbara White	602-506-5203	602-506-5295	-
Address (required):	301 West Jefferson, Phoenix, AZ, 85003			
Return Contracts (required):	Barbara White	602-506-5203	602-506-5295	-
Address (required):	301 West Jefferson, Phoenix, AZ, 85003			

The initial License Fee for the Licensed Program payable hereunder includes the right of Customer to obtain from Pathlore, upon written notice to Pathlore at any time prior to the first anniversary of the Effective Date and at no additional charge, any additional platform versions of the Licensed Program that (a) are generally commercially available from Pathlore as of the Effective Date or (b) become generally commercially available from Pathlore during the twelve 12 month period commencing on the Effective Date.

This License Order Form and the attached Exhibits A & B are subject to the terms of the Master License Agreement and the License Order Form effective September 15, 2000 without effecting any existing terms and conditions (the "Agreement") except as specifically set forth below. If any provision of the Agreement shall conflict with any provision of this Order Form or an exhibit attached, the provisions of this Order Form or the attached exhibit shall supercede and control with respect to the Licensed Program and Options described herein. Pathlore grants to Customer a perpetual license to use the Licensed Program described below for the number of Seats set forth below, and agrees to provide the Customer Care Plan (the "CCP") to Customer during the period commencing on the Effective Date through 9/14/08 (the "Contract Term"), and (b) Customer agrees to pay the license fees, Customer Care Plan fees and other fees set forth below on each Period Start Date set forth below. After the expiration of the Contract Term, the Customer Care Plan shall be provided in accordance with the Agreement. All terms of the Agreement are incorporated by reference into this Order Form and the attached exhibits.

Serial Number	Contract Number (Pathlore)	Licensed Program	Options		
W1101983	90005	LMS - Enterprise	SDK (XLMS)	Prepaid CCP through 6/30/08	Skills Management System (SMS) - Year 2

	Period Start Date	09/15/05	09/15/06	09/15/07	Totals
New LMS Enterprise Licensed Seats		2,000	2,000	2,000	
Total LMS & SDK Licensed Seats for the Period		13,000	13,000	13,000	
Additional LMS License Fees		\$18,400			\$18,400
Discount		(\$900)	(\$2,025)		(\$2,925)
SDK (XLMS)		\$10,000			\$10,000
3 Year Prepaid CCP Fees LMS and XLMS*		\$91,229			\$91,229
SMS Licensed Seats for the Period**			2,000	2,000	
SMS License Fees for Licensed Seats**			\$42,025		\$42,025
Customer Care Plan Fees for SMS**			\$15,970		\$15,970
Fees		\$118,729	\$57,995		\$176,724
Estimated Implementation Fees		\$47,000	\$33,000		\$80,000
Estimated Training Fees		\$10,000	\$10,000	\$10,000	\$30,000
Total Fees (Before Taxes)		\$175,729	\$100,995	\$10,000	\$286,724

*Prepaid discounted CCP for 9/15/05 through 9/14/08 for LMS-Enterprise. 1st year XLMS CCP has been waived. Prepaid discounted CCP has been applied for 9/06 and 9/07 for XLMS. Customer will add Seats to the LMS as indicated by the purchase of additional Peoplesoft seats.

**Customer represents that it is a government agency or instrumentality, and that Customer's authority to purchase on 9/1/06 the SMS product option and the prepaid discounted SMS option CCP for 9/06 through 9/07 for SMS is contingent upon appropriation to Customer by relevant government agencies or legislative authorities of funds sufficient for such purpose. If such additional sufficient funds are not so appropriated to Customer, Customer shall not be obligated to purchase the SMS product option. Customer agrees to use its best efforts to obtain such sufficient funds by taking all appropriate action to effect the appropriation of such additional sufficient funds.

Customer shall have the right to annually renew the CCP contract in yearly increments at \$43,909, including LMS and SMS for year 4 and a year 5.

Pathlore agrees to allow Customer to track and manage all training activity for all non-county employees (~4,000) at no additional charge. All training records for End Users who leave county employment (retire, quit, terminated or out on medical leave) can be retained in the system at no additional charge. The Customer Care Plan fees (annual maintenance and technical support) will be capped at a 5% annual increase during the Contract Term. During the Contract Term, additional SMS Seats may be added in blocks of 500 at \$6.50 per Seat up to 5,000 Seats and \$4.38 per Seat after 5,000 and up to 20,000 Seats. During the Contract Term, additional LMS Seats may be added in blocks of 500 at \$8.75 per Seat up to 20,000 Seats. During the Contract Term, should Pathlore reduce their prevailing rates for Customer Care Plan fees, such reduced Customer Care Plan rates will be applied to Maricopa County's Customer Care Plan fees.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date set forth under Customer's signature line (the "Effective Date").

Pathlore Software Corporation
 By: [Signature]
 Authorized Signature
 Type or Print Name of Person Signing
CFO
 Type or Print Title of Person Signing
9/6/05
 Date

Customer: Maricopa County, Arizona
 By: [Signature]
 Authorized Signature
 Type or Print Name of Person Signing
CHAIRMAN BOARD OF SUPERVISORS
 Type or Print Title of Person Signing
8/24/05
 Date

ATTEST:

[Signature]
 Clerk of the Board

[Signature]
 DEPUTY MARICOPA COUNTY ATTORNEY

**EXHIBIT A
TO LICENSE ORDER FORM
BETWEEN
MARICOPA COUNTY
AND
PATHLORE SOFTWARE CORPORATION**

CUSTOMER EDUCATION PRICING

During the Contract Term of the License Order Form, Customer can obtain both Onsite and Public Training at the pricing offered below.

Class Name	# Of Days	Public Class Price Per Student	Onsite Class Price*
LMS Enterprise Release 6.5* Core Curriculum			
Training Administrator Fundamentals – LMS 6.5	3	\$1,725	\$9,445
System Management – LMS 6.5	3	\$1,725	\$9,445
Using Crystal Reports in LMS 6.5	2	\$1,150	\$6,295
Gap Analysis – LMS 6.5	2	\$1,150	\$6,295
Moving to LMS 6.5	2	\$1,150	\$6,295
LMS Enterprise Release 6.5* Advanced Curriculum			
Incorporating Industry Standards in Content (AICC & SCORM)	1	No longer available	\$3,150
Creating Assessments w/Pathlore LMS 6.5	1-1/2	No longer available	\$4,725

PROFESSIONAL/CONSULTING SERVICES

Current published price list for professional/consulting services offered.

Rate Schedule

RESOURCE	DAILY RATE	HOURLY RATE
Project Manager	\$2,000	\$250
Business Consultant	\$1,800	\$225
Technical Consultant	\$1,800	\$225
Web Development Specialist	\$1,800	\$225
Content Specialist	\$1,800	\$225

Hosting Administrator	\$1,800	\$225
Program Manager	\$2,400	\$300

Note: Rates do not include out-of-pocket expenses which are billed to the customer based on incurred costs.

Daily rates assume an eight hour workday.



**EXHIBIT B
TO LICENSE ORDER FORM
BETWEEN
MARICOPA COUNTY ("CUSTOMER")
AND
PATHLORE SOFTWARE CORPORATION ("PATHLORE")**

TERMS OF AGREEMENT

The parties agree that to the extent that there is any conflict between the Terms of Agreement set forth herein and Master License Agreement 09005, or any other agreements previously entered between the parties, the Terms of Agreement set forth herein (To Include Terms and Conditions set forth in the executed License Order Form) will control and will supersede any such conflicting provisions or terms.

FISCAL FUNDING: Customer represents that it is a government agency or instrumentality, and that Customer has obtained all requisite approvals and authority to enter into and perform its obligations hereunder, including, without limitation, the obligation to make the initial payment or payments required to be made hereunder on the date or dates upon which such initial payment or payments may become due during Customer's current fiscal year. With respect to any subsequent payment which may be required to be made hereunder in any subsequent fiscal year of Customer, the parties acknowledge that Customer's authority to make such subsequent payment is contingent upon appropriation to Customer by relevant government agencies or legislative authorities of funds sufficient for such purpose. If such additional sufficient funds are not so appropriated to Customer, either Pathlore or Customer may terminate this license as of the first day of the applicable subsequent fiscal year of Customer with respect to which such sufficient funds are not made available. Customer agrees (a) not to effect such termination for the purpose of replacing the Licensed Program(s) with an equivalent product or products supplied by others and (b) to use its best efforts to obtain such sufficient funds by taking all appropriate action to effect the appropriation of such additional sufficient funds. Upon such termination, Licensee shall immediately cease all use of the Licensed Program and return to Pathlore all copies of the Licensed Program and all related documentation and continue to abide by the provisions of the Master License and Services Agreement relating to the confidentiality thereof.

SEAT: means a Training Seat or a Skills Seat, as applicable, licensed by Customer, the maximum number of which shall be set forth on each License Order Form. "Training Seat" means an End User who, on any date, has had registration activity recorded in the Pathlore Learning Management System within the prior twelve-month period. "Skills Seat" means an End User who, on any date, has had any skills-related activity recorded in the Pathlore Skills Management System within the prior twelve-month period. "End User" means an authorized employee of Customer, Affiliates or Business Partners with all such persons (i) to be identified by a unique log-in name and password and (ii) deemed to have been provided authorization by Customer to have registration transactions recorded by the Licensed Program.

VENUE OF LAW: Any and all agreements between the parties will be governed by the laws of the State of Arizona. Exclusive venue and jurisdiction for any legal proceedings involving said agreements will be in the state or federal courts sitting in Maricopa County, Arizona.

INTEREST: Interest on any invoice not paid by Customer when due will not exceed the lawful rate, from the date due until paid.

By executing this Agreement all parties agree to the following:

Pathlore agrees to provide on-going support for the Licensed Program(s) per the Licensed Order Form and attachments throughout the Contract Term of this Agreement. Should Pathlore fail at any time to provide support of the Licensed Program(s) during the Contract Term of this Agreement, Customer will have the right to unconditionally terminate this Agreement, as outlined in Section 9 of the Master License Agreement. Customer will also be entitled to a refund of any applicable pre-paid support fees (prorated if applicable). Pathlore agrees to make the said refund within 30 days of demand from Customer.



Pathlore® Professional Services

Description of Services

For the:

XLMS PeopleSoft Integration Services

Prepared for:

Maricopa County, Arizona

Account Executive: Sheri Miller

Solution Architect: Troy Gibson

July 28, 2005

Pathlore® Software Corporation ("**Pathlore**") is pleased to submit this Description of Services to Maricopa County ("**Customer**"). The following sections provide information on the tasks to be completed.

I. Description of Services

Based on the information provided by Customer, Pathlore is offering the following services ("**Services**"):

- **Analysis and Design of PeopleSoft integration to Pathlore LMS 6.5 utilizing XLMS™ web services:**

This project will focus on the analysis and design of a daily update of employee data from Peoplesoft 8.8 to the Pathlore LMS. Pathlore will provide the customer an analysis document detailing the requirements of the integration and a design document detailing the technical specification for the integration into Pathlore LMS. Pathlore estimates the analysis and design session to last five days.

- **XLMS™ Web Services Coaching Session:**

In order to assist the customer in the integration of Peoplesoft 8.8 and the Pathlore LMS, Pathlore will provide on site technical support during the development phase of the project. Pathlore estimates the coaching session to last two days.

- This Description of Services includes **4** hours of project management time. Project management is a core component of the Pathlore consulting process. The Project Manager serves as the primary point of contact for the duration of this project, and will assign and coordinate all Pathlore resource activities for the project while maintaining schedules, budgets, and project status.



II. Pricing Information

The fee for the Services defined in Section I. is \$1,800 per day (\$225 per hour) for the consulting services. The fee for project management is \$250 per hour. The total estimated cost for the Services is \$13,600.00.

This estimate does not include travel and out-of-pocket expenses Pathlore may incur. Customer will also reimburse Pathlore for reasonable and actual travel expenses related to this project. These expenses include, but are not limited to: airfare, hotel room charges, meals while on travel, telephone, rental car charges, tolls, and parking. Pathlore will invoice travel expenses bi-weekly.

The Services are performed on a time and materials basis using the information available at this time. A "day" of Services is defined to be up to eight hours. For Services that exceed an eight-hour day, the Customer will be billed on an hourly rate based upon the price per day for an eight-hour day. The Customer will be invoiced as the Services are delivered, with payment due upon receipt of an invoice. The parties hereto agree that, as the Services proceed, additional information may be discovered that would change the cost and/or scope of the initial Services. Any such change would be submitted to Customer in writing, using Pathlore's Change Management process, for its approval prior to Pathlore implementing any such change.

III. Agreement to Terms

This Description of Services shall be governed by the terms of the Master License Agreement (MLA) Number **090005**, dated 9/18/2000; (the "**Agreement**") between Customer and Pathlore.

This Description of Services, in conjunction with the referenced Agreement, comprises the total agreement for the described scope and level of effort. Terms defined in the Agreement are used herein, unless the context otherwise requires, as therein defined.

Upon execution of this Description of Services, Pathlore will provide, on a time and materials basis, the Services described herein.

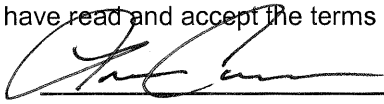
Until the Customer executes this Description of Services and returns it to Pathlore, this document shall act as a quotation for services whose term will expire 30 days from the date of this Description of Services. Pathlore must make any extensions or changes to this term in writing.

Customer acknowledges and agrees that upon reaching an agreed time schedule between Customer and Pathlore for the Services, Customer shall use its best efforts to comply with such time schedule. Once this contract is signed by your organization and accepted by Pathlore, the following rescheduling and cancellation fees apply:

If the parties mutually agree upon a schedule for on-site training or Services, Customer shall have the right to cancel or reschedule such training or Services at least twenty-one (21) business days prior to scheduled start date at no additional cost. In the event Customer cancels or changes the commencement date of such schedule twenty (20) business days prior to the scheduled start date, Customer will pay Pathlore a one-time change fee equal to 25% of the estimated on-site training or Services plus any reasonable, substantiated, non-refundable travel expenses incurred by Pathlore. In the event Customer cancels or changes the commencement date of such schedule fifteen (15) business days prior to the scheduled start date, Customer will pay Pathlore a one-time change fee equal to 50% of the estimated on-site training or Services plus any reasonable, substantiated, non-refundable travel expenses incurred by Pathlore. In the event Customer cancels or changes the commencement date of such schedule ten (10) or less business days before scheduled start date, Customer will be invoiced for 100% of total assignment fee plus any reasonable, substantiated, non-refundable travel expenses incurred by Pathlore. Notwithstanding the foregoing, in the event Pathlore is able to reassign its training or Services team (as applicable) to another billable project, Customer will only be liable to Pathlore for reasonable, substantiated, nonrefundable travel expenses incurred by Pathlore as of the date of such delay.

Please sign below (2 originals) to indicate your acceptance of the above terms. Please fax the signed document to Sheri Miller at 614-781-7245. Please mail the original documents to Pathlore at the address below.

I have read and accept the terms and conditions of this Agreement.



Maricopa County, Arizona

By: _____

Authorized Signature

Lonnie Conico

Name (please type or print)

9/13/05

Date

Procurement Consultant

Title (please type or print)

Invoice Information:

Name: _____

Address: _____

Telephone: _____

Email: _____

Fax: _____

Pathlore® Software Corporation
7965 North High Street, Suite 300
Columbus, Ohio 43235
www.pathlore.com

